

State of Alaska Division of Motor Vehicles Standard Operating Procedures	SOP No. T- 180	Page No. 1 of 2
	Effective October 21, 2005	
Subject:	Supersedes T-180	Dated 8/31/03
LIEN RECORDING, ASSUMPTION, AGREEMENT	Approved	
Statute: AS 28.10.371-401 Regulation:	Form No.	

A lender may be recorded as a lienholder on a title when an Application for Title and Registration (Form 812) is completed showing the name and address of the lienholder in the lienholder section. The registered owner of the vehicle, or a person with a power of attorney (POA) to sign for the registered owner, must sign the application.

GENERAL INFORMATION

- Titles are not issued for boats, snowmachines or ATV's; therefore, we do not record liens on these.
- Alaska law permits only the recording of the primary lienholder. Secondary lienholders may record their liens in a District Recorder's Office in their area of residence. This type of filing is called a Uniform Commercial Code (UCC) filing.
- A title with a lien recorded is mailed directly to the lienholder. [AS 28.10.381(b)]
- When adding or removing a lienholder, with no change to the ownership of the vehicle, do NOT change the odometer reading in ALVIN.
- We do not accept paperwork through the mail from a lienholder outside the State of Alaska requesting any change to the lienholder. We will accept documents from the customer, provided there is no change to the ownership. (A name change due to marriage, divorce, etc., does not constitute a change in ownership.)
- A lienholder may repossess a vehicle if the owner defaults on a security or loan agreement. (T-330)

LIEN RECORDING

Requirements: [AS 28.10.381]

- Application for Title and Registration (Form 812) with the new lienholder information.
- Original title or MCO.
- Other requirements of registration.
- Fees

ASSUMPTION OF A LIEN

A buyer may assume a previous owner's loan. The new buyer must apply for a title in the same manner as the original owner and pay all required fees.

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REASSIGNMENT OF A LIEN [AS 28.10.401]

A lienholder shown on a title may assign title and interest to another lienholder without permission of the registered owner. The lienholder must notify the registered owner, in writing, of the action. The new lienholder may apply for a title showing the registered owner and the new lienholder.

Example: Lienholder X has a lien on a vehicle. They sell the loan to Lienholder Y. They may do this without permission from the registered owner, as long as they notify the owner, in writing.

Requirements:

- Application for Title and Registration (Form 812) with the new lienholder information.
- Original title
- Lien release or signature releasing the lien on the face of the title **OR** a copy of the contract showing that the loan was sold.
- Fees

RELEASING A LIEN

When the owner has paid off the loan the lienholder will sign the release on the front of the title **or** provide the customer with a signed letter of lien release. A lien release must contain the correct and complete VIN and the name of the lienholder must match our records (or provide something to link the lienholder to the name shown on our records). A faxed lien release is acceptable provided it is signed and dated. A "PAID" stamp is NOT acceptable unless accompanied by a signature. The registered owner may apply for a "clear" title, as shown below:

Requirements:

- Vehicle Transaction Application (Form 821).
- Original title, properly released, if applicable.
- Lien release or signature releasing the lien on the face of the title.
- Fees

FEES

Title Fee: \$15.00
Lien Recording Fee: \$15.00

Cross reference:

T-002 Application Processing
T-100 Title Corrections, Additions, Deletions
T-130 Power of Attorney
T-330 Repossessed Vehicles